

Chapter

1

Introduction to Fabrikam, Inc.

OBJECTIVES: In Chapter 1, you complete the following activities.

1. Start Dynamics GP 10.0 (DGP).¹
2. Open the sample company, Fabrikam, Inc.
3. Select an industry and user role.
4. Set user preferences.
5. Operate DGP's drop-down lists, lookup fields, navigation pane, and menus.
6. Identify DGP's installation folder, Student Data folder, and My Companies folder.
7. Complete an internal control activity.
8. Complete an audit trail inquiry.
9. Identify security roles.
10. Complete a search using SmartList.
11. Review Sarbanes-Oxley compliance.
12. Navigate the Help system.
13. Unload or save data.
14. Exit Dynamics GP.

DGP is similar to other programs that use Windows. If you have used other Windows programs, specifically Microsoft Office, you will recognize the similarities.

MOUSE AND KEYBOARD BASICS

One of the first decisions you need to make is whether to use the mouse or keyboard. The instructions in this book assume that you are using a mouse. When the instructions refer to the word click this usually means to left-click with your mouse. (Sometimes the instructions mention right-click.) Note, you can also use the keyboard.

¹If Dynamics GP 10.0 is *not* installed see Software Installation, pages iv to viii. The My Companies folder should be copied to the appropriate location. Refer to pages viii-x, Student Data DVD.

Using the Mouse

- To single click: position the mouse cursor over what you want to select and click the left mouse button once.
- To double-click: position the mouse cursor over your selection and click the left mouse button twice, quickly.
- Use the right mouse button the same way you use the left mouse button.

Using the Keyboard

- Hold down the **<Alt>**² key and the underlined letter to make the selection.
- If you have already held down the **<Alt>** key and the underlined letter and more selections appear with underlined letters, just type the underlined letter to select the item.

Using Shortcut Keys

Shortcut keys enable you to perform common operations by using two or more keys together.

<Ctrl>+<Letter> Shortcuts	
<Ctrl>+<X>	Cut
<Ctrl>+<C>	Copy
<Ctrl>+<V>	Paste
<Ctrl>+<P>	Print
<Ctrl>+<F>	Find
<Ctrl>+<A>	Search All
<Ctrl>+<Y>	Analysis
<Ctrl>+<L>	Lookup
Function Key Shortcuts	
<F1>	Displays the online Help
<Ctrl>+<F4>	Closes the current window
<Alt>+<F4>	Closes the application
<Ctrl>+<F6>	Moves to the next window
<Shift>+<Ctrl>+<F6>	Moves to the previous window


²The greater and lesser signs are used around words to indicate individual keys on your keyboard; for example, **<Alt>** is for the Alternate key, **<Enter>** for the Enter/Return key, **<Ctrl>** is for the Control key, **<Esc>** is for the Escape key.

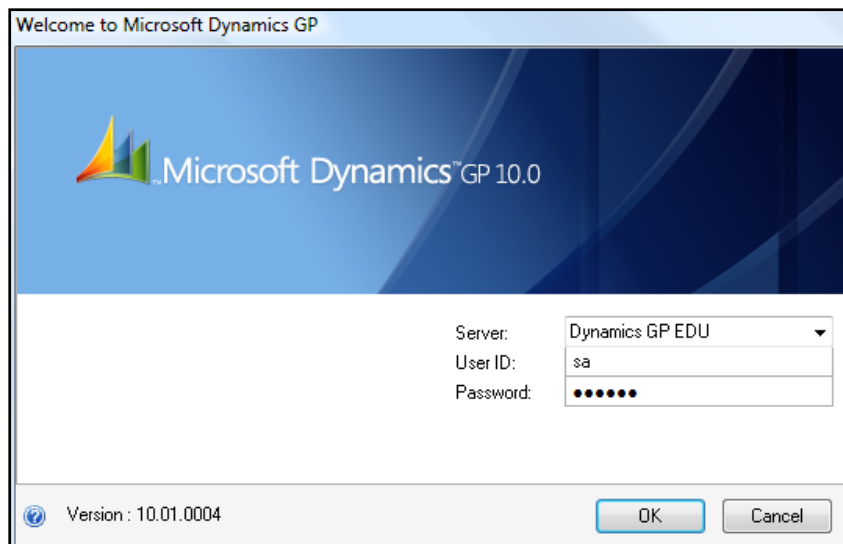
Window Navigation Keyboard shortcuts	
Keyboard shortcut	Navigation
<Tab>	Move to next field
<Shift>+<Tab>	Move to previous field
<Ctrl>+<Tab>	Move from scrolling window to next field
<Shift>+<Ctrl>+<Tab>	Move from scrolling window to previous field
<Enter>	Default button on a window
<Ctrl>+W	Close the current window
<Atl>+<X>	Exit application

GETTING STARTED


Fabrikam, Inc. is the sample company included with DGP. The purpose of using the sample company in Chapters 1-6 is to become familiar with the software. In Chapters 7-14, you use the software to work with service and merchandising businesses.


To start DGP, do the following.³

1. Select  [Start button]; All Programs, Microsoft Dynamics, GP-Education 10.0, GP Education. The Welcome to Microsoft Dynamics GP window appears. Type your password. (Refer to page viii, step 10.) **OR**, if you have a **desktop** icon for GP-Education, double-click on it.



³These instructions assume that you have installed Dynamics GP 10.0 (pages iv-viii) and that you have copied the My Companies folder from the Student Data DVD to the appropriate location (pages viii-x).

2. Click . Be patient, it will take several minutes to login.



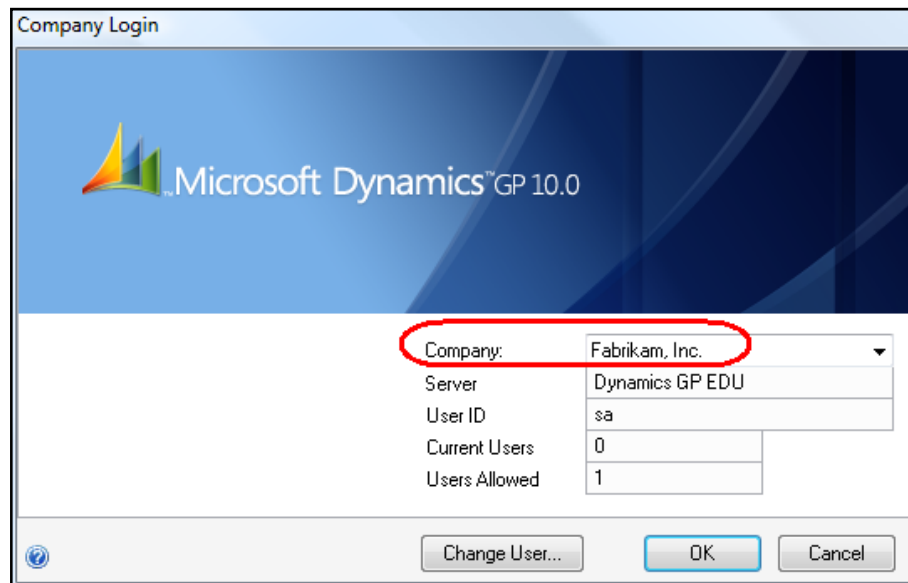
Read me

These instructions assume that **data was not unloaded** when you exited DGP. For detailed steps see *Exiting Dynamics GP*, pages xvi – xvii.

If you selected Yes (instead of No) when exiting the program, a screen message appears saying There isn't any data loaded. Do you want to load your data? Select Yes, then go to the My Companies folder and open the DYNAMICS.mdf file. For detailed instructions, refer to *Starting Dynamics GP and Opening Fabrikam, Inc.*, pages xii-xiii, steps 6-12.

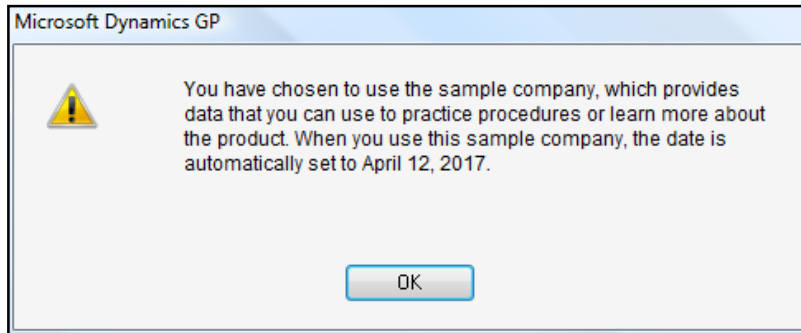
NOTE—Script Error: If you receive an Internet Explorer Script Error, click Yes. This message appears because you do *not* have Microsoft Office 2003 Web Components installed on your computer. You do *not* need web components to use DGP. If your instructor prefers that you have web components, refer to Appendix A, page 651, Home Page Metrics, for the download site.


3. The Company Login window appears. If necessary, in the Company field select Fabrikam, Inc.



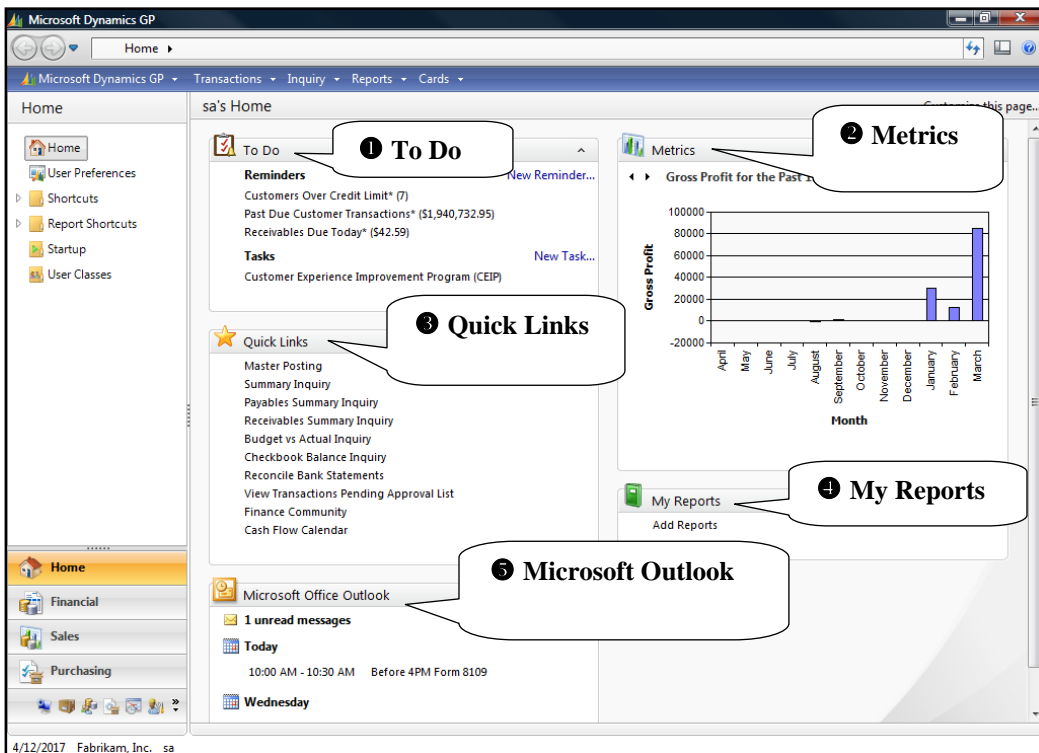
4. Click .

- If necessary, wait a few minutes until the Microsoft Dynamics GP windows appears saying that You have chosen to use the sample company. Read this information.



- Click . After a few moments, the **home page** appears.

The home page provides easy access to information that you need for your job. From the home page, you can see a summary of appointments, a list of tasks and reminders, and the number of unread e-mail messages that you have, as well as other information specific to your job.

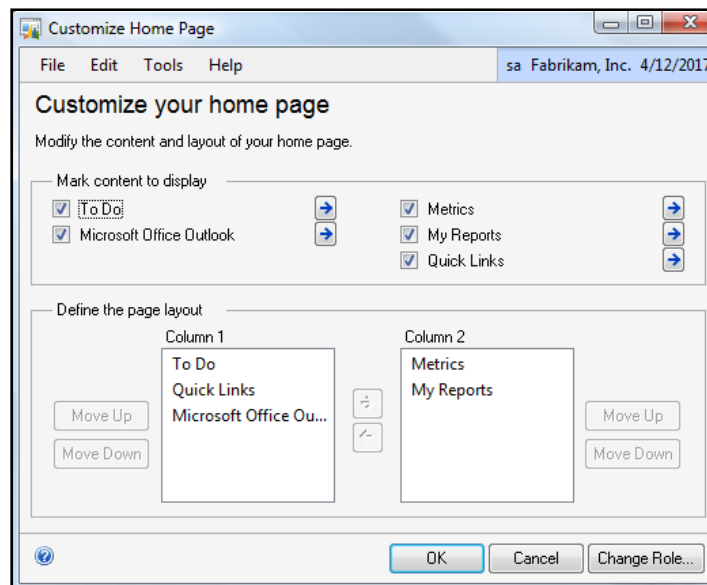


- ❶ **To Do:** This area displays the tasks assigned to you, predefined reminders, customized reminders, and the Workflow notifications that you have set up.
- ❷ **Metrics:** This area of your home page displays graphic representations of DGP data. For example, if Microsoft Office 2003 Web Components are installed on your computer, the home page shows a Gross Profit for the Past 12 Months bar graph. *Refer to Appendix A, page 651, Home Page Metrics, for information about downloading Microsoft 2003 Web Components.* (Check with your instructor about whether you need to download web components.)
- ❸ **Quick Links:** This area displays links to DGP windows, Web pages, navigation lists and external programs that you have set up as quick links.
- ❹ **My Reports:** When you click on the down arrow in the Reports area, the list expands showing frequently used reports or reports that you have added. You will work with this area later in Part 1 of the textbook.
- ❺ **Microsoft Office Outlook:** This area displays appointments and the number of unread e-mail messages. Use the Microsoft Office Outlook Details window to select which information to display on the home page. (Click on the up arrow, then the pencil to see the Microsoft Outlook Details window.) *Hint:* This area is available if you have MS Office Outlook installed on your computer.

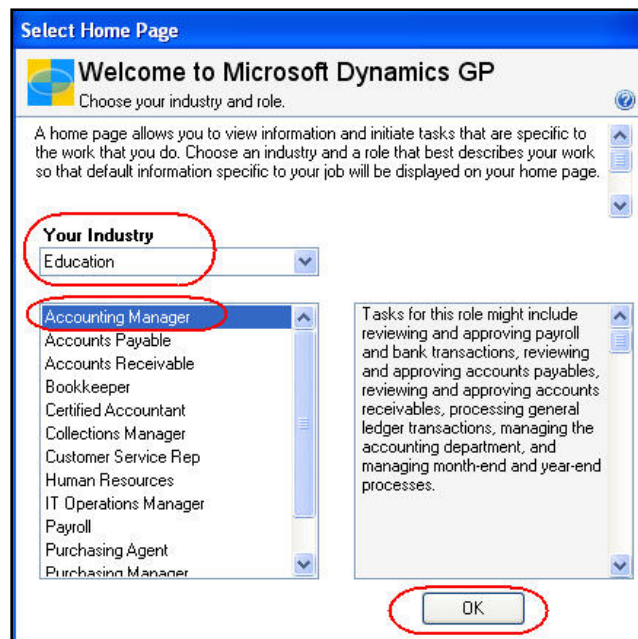
INDUSTRY AND ROLE

Use the Customize Home Page window to display the home page's content areas and to modify the layout. You can also specify when your home page should be displayed and if it automatically should be updated. You can use the arrow buttons to indicate if specific content areas will be displayed on the right or left side of your home page. Home page settings are saved on a per-user basis and can be modified. Follow these steps to select the industry and role.

1. On the right side of the home page, there is a link to Customize this page. When you link to Customize this page you can see the content areas that are selected for your home page.



2. Observe the Change Role button on the Customize Home Page window. When you select **Change Role...**, a window appears reminding you if you change roles, the home page is also changed. Click **OK**. The Select Home Page window appears.

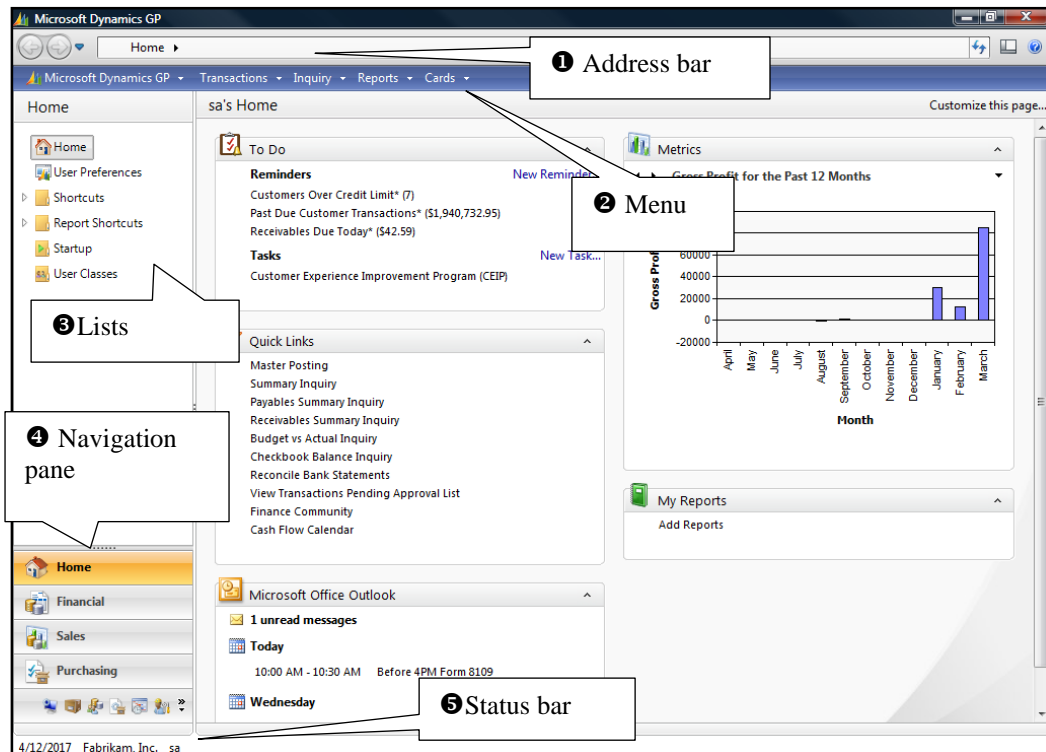


Observe that the Your Industry field shows Education as the selection. The role selected is Accounting Manager. Tasks for this role include reviewing and approving payroll and bank transactions, reviewing and approving accounts payables, reviewing and approving accounts receivables, processing general ledger transactions, managing the accounting department, and managing month-end and year-end processes.




- For purposes of using the Fabrikam, Inc. data, accept the default Industry (Education) and role (Accounting Manager) by clicking . Other roles and industries will be discussed later. Dynamics GP includes numerous industry and role selections.

USER INTERFACE (UI)

One of the benefits of Windows is that it standardizes terms and operations. Once you learn how to move around in DGP, you also know how to use other Windows applications. The home page is used to show DGP's user interface. The numbered callouts are the terms used to identify these areas throughout the textbook.




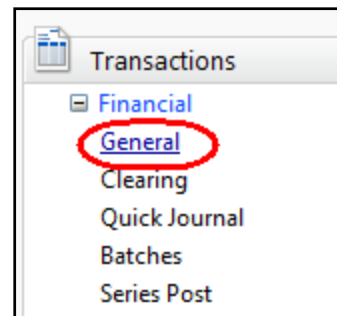
- ❶ **Address bar:** The address bar displays the location of the current page within the navigation hierarchy of the application.
- ❷ **Menu:** The DGP menu provides access to administrative tasks, setup tasks, user and company information, the User Data window, and user preference.
- ❸ **Lists:** The lists are associated with a navigation pane selection. The home page list is shown because Home is selected on the navigation pane.
- ❹ **Navigation pane:** Use the navigation pane to select and display a list or page.
- ❺ **Status bar:** The status bar displays the user, date, and the company.

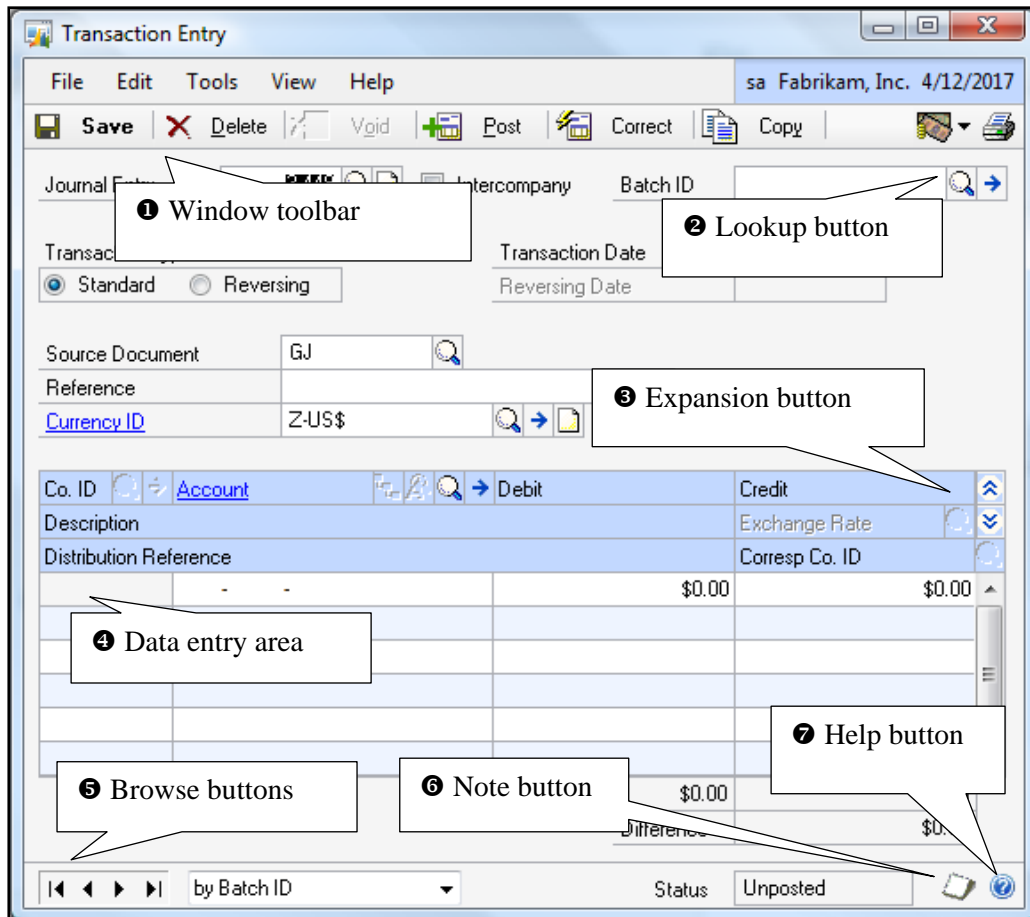
The top of the window includes the Microsoft Dynamics GP title bar. The title bar includes the Minimize  button, Double Window  button, and the Close  button.

TYPICAL DYNAMICS GP WINDOWS

Follow these steps to see the Transaction Entry window.


1. Click . The address bar shows Home ► Financial ► Financial.
2. In the Transaction list, link to General. The Transaction Entry window is shown on the next page.





- ❶ The **Window toolbar** includes the Save, Del~~e~~te, Post, Correct, Copy, and Print button.
- ❷ The **Lookup button** indicates that a list of items is available for a particular field or window. You select an item from the list to enter in the window.
- ❸ The **Expansion button** opens a window where additional information for the field next to the button can be added, changed, or viewed.
- ❹ The **Data entry area** is where you enter information. Use the <Tab> key to move between fields.

- 5 The **Browse buttons** allow you to scan information, such as accounts, transactions, and customer records.
- 6 The **Note button** allows you to attach window-level notes. If a note is attached, the page icon appears to have lines of text in it. If no note is attached, the page icon will appear to be blank.
- 7 The **Help button** opens DGP help.

3. If the Transaction Entry window is open, click  on its title bar to close it. You are returned to the Financial page.

NAVIGATION PANE

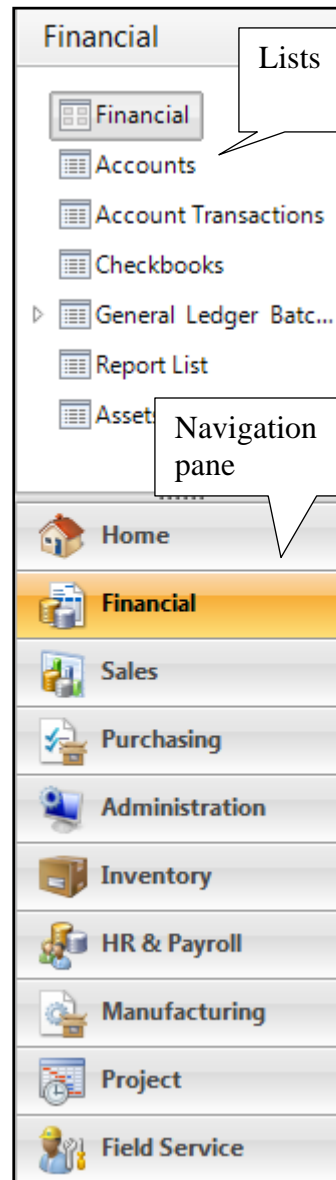
Use the navigation pane to move around DGP. To make the navigation pane larger, use the cursor and pull up with the left mouse button.



Lists: Choose a navigation pane button that corresponds to a series which displays the lists that are available for that choice. For example, the financial list shows Financial, Accounts, Account Transactions, Checkbooks, General Ledger Batches, Report List, Assets.

Navigation pane: Choose a navigation pane button that corresponds to a series that you want to display. The page that is associated with that selection will appear on the content pane on the right side.

The navigation pane selections identify DGP's **modules**. A module is an application used to perform a specific set of tasks. Modules are combined to form a series. For example, the Financial series includes the general ledger and advanced financial analysis. The table that follows lists the series buttons or DGP modules that are available in the navigation pane and the lists associated with them.




Series buttons/ DGP Modules	Lists
Financial	Accounts, Account Transactions, Checkbooks, General Ledger Batches, Report list, and Assets.
Sales	Customers, Prospects, Salespeople, All Sales Transactions, Receivables Transactions, Sales Order Transactions, Invoicing Transactions, Receivables Batches, and the Report list.
Purchasing	Vendors, All Purchasing Transactions, Payables Transactions, Purchase Order Transactions, Payables Batches, and Report List.
Administration	All Report list, My Reports list, system Report list, Company Report list, Custom Report list, and SmartList Favorites.
HR & Payroll	Employees, Applicants, Attendance Transactions, and Report list.
Manufacturing	Bills of Materials, Picking Documents, Job Costing, Routings, and Manufacturing Orders.
Project	Projects, Timesheet Transactions, Billing Transactions, PA purchase order transactions, and Report list.
Field Service	Service Call Transactions, Contract Transactions, RMA Transactions, RTV Transactions, Depot Transactions, In-Transit Transfers, Equipment, and Report list.

USER PREFERENCES

Before you change user preferences, let's make sure that Show Required Fields is selected.



1. To make sure Required Fields is selected, select  (Help).
2. Observe that one of the selections is Show Required Fields. There should be a checkmark next to it. If you do *not* see a checkmark, click Required Fields to place a checkmark next to it. *The instructions throughout the textbook assume Show Required Fields is selected.*
3. If necessary, select <Esc> to close the Help menu.

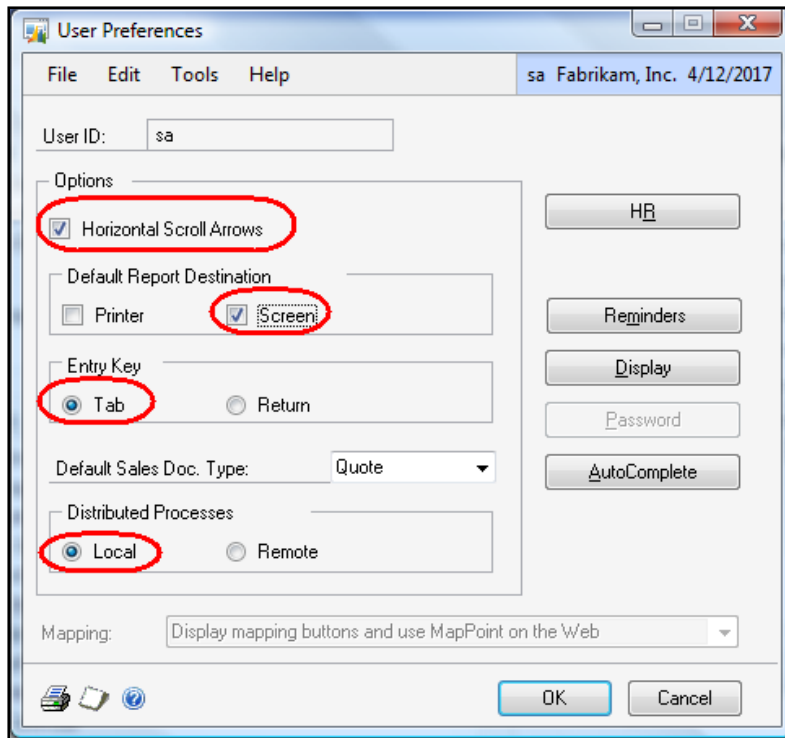
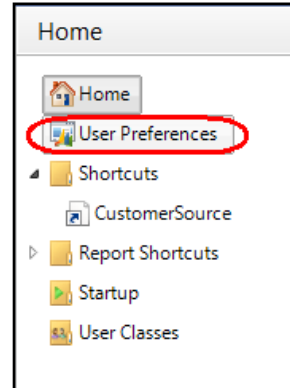
Follow these steps to change the User Preferences.


1. On the navigation pane, select

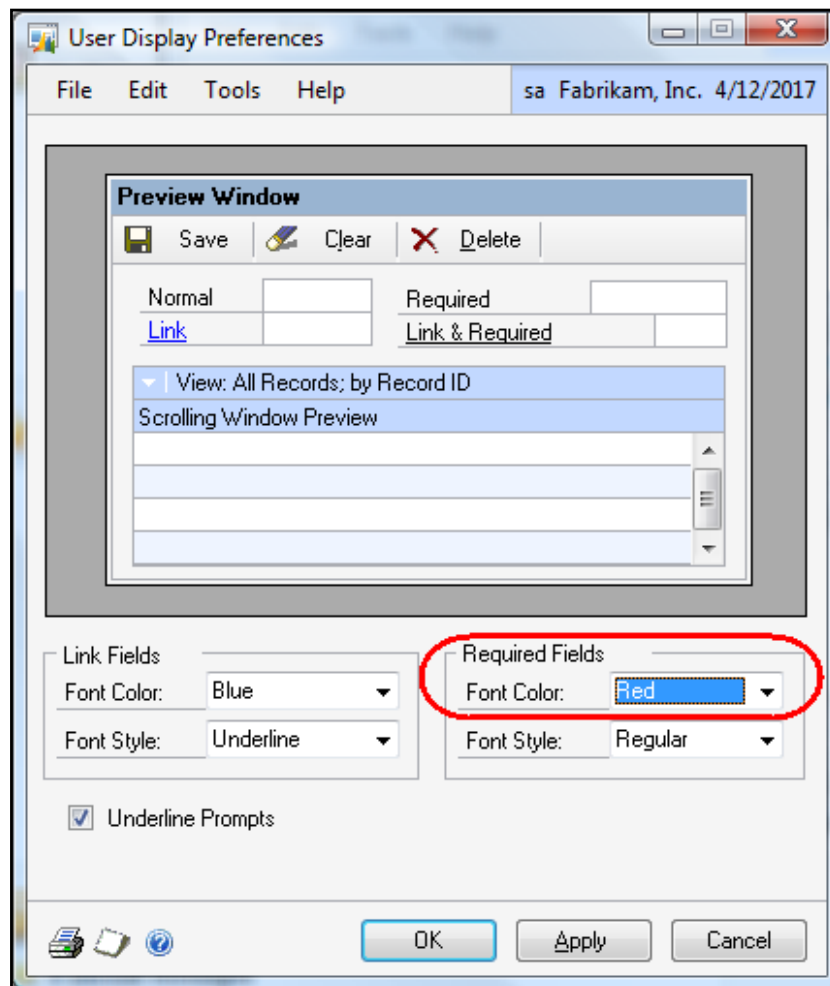


2. From the Home list link to User Preferences.


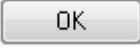
3. User Preferences window appears. Make the following selections: Horizontal Scroll Arrows, Screen, Tab, Local. Compare your User Preferences window to the one below.




4. Click . The User Display Preferences window appears. In the Required Fields area, select Red as the Font Color. Once you select red as the font color, this will change all DGP companies. In other words, this is a global change.




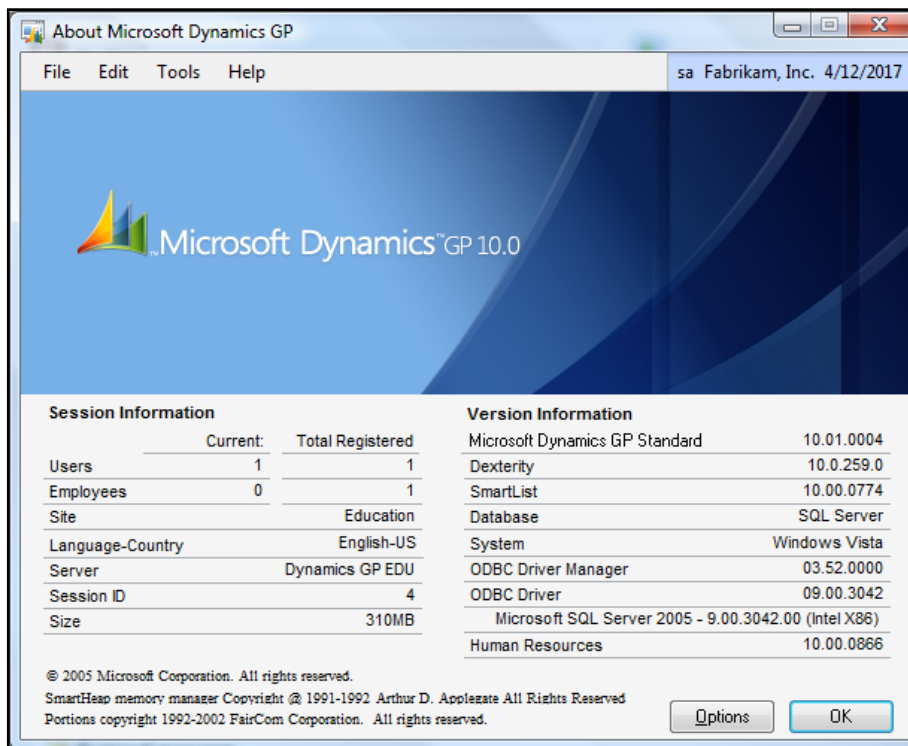
The User Display Preferences window includes selections to change how DGP looks on your computer. Various colors and styles are available for links and required fields.

5. Make sure that the Required Fields area shows that Font Color Red is selected. Then, click  to return to the User Preferences window.
6. Click  to return to the home page.
7. To check that required fields are shown in red, do the following:
From the navigation pane, select Purchasing. From the Purchasing

page's Transaction area, link to [Transaction Entry](#) to open the Payables Transaction Entry window. Observe that the fields that need to be completed are shown in red. Close the Payables Transaction Entry window by clicking .

DISPLAYING PRODUCT INFORMATION

1. Click  (Help), then About Microsoft Dynamics GP. The About Dynamics GP window appears. (Some of your information may differ. This is okay.)




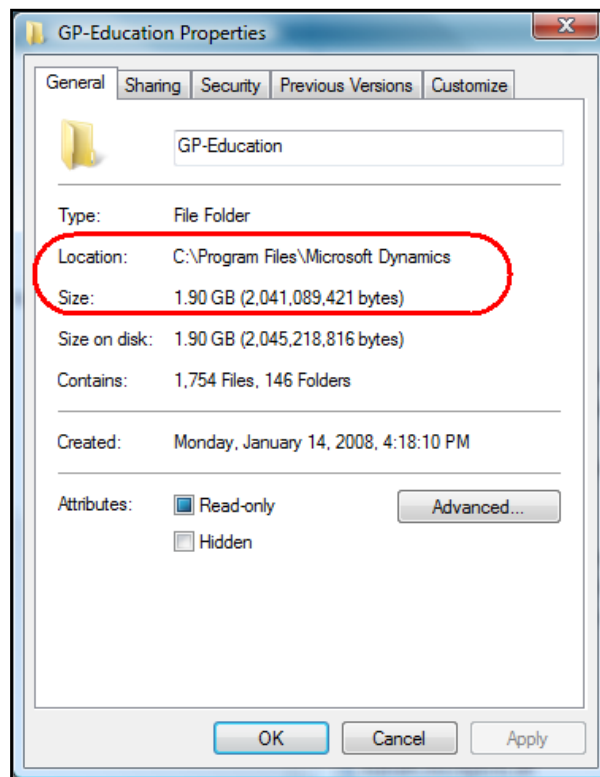
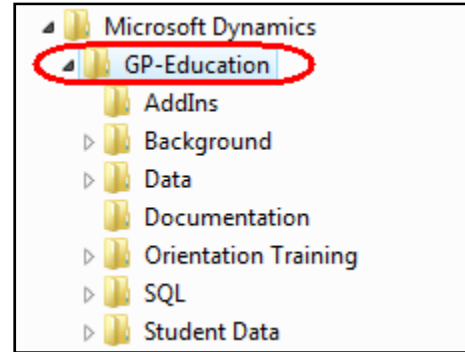
2. After reviewing the window, click  to close it.

USING WINDOWS EXPLORER

The instructions that follow identify DGP's installation folder and data path on the hard drive. Also, the size of the Microsoft Dynamics folder and the My Companies folder is shown.

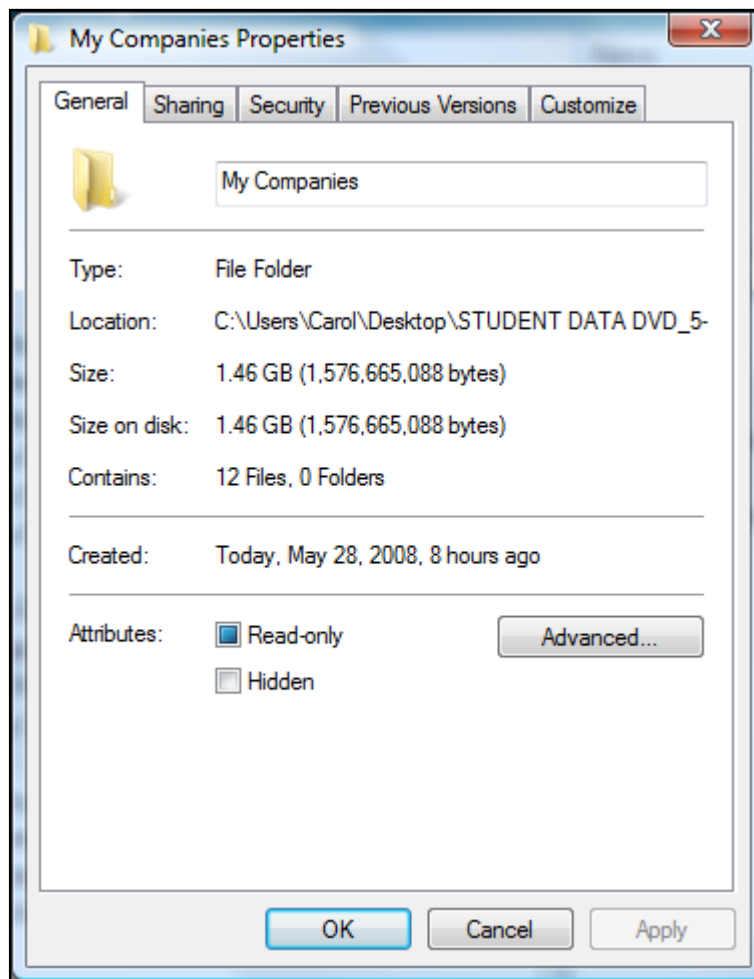
Follow these steps to use Windows Explorer to identify DGP's location on your computer system.

1. Right-click  (Start button); left click Explore.
2. Go to C:\Program Files\Microsoft Dynamics\GP-Education.
3. Right-click on GP-Education; left click Properties. The GP-Education Properties window appears.



Observe the location (installation folder) of Dynamics GP is C:\Program Files\Microsoft Dynamics. The size of the file is 1.90 GB or 2,041,089,421 bytes and contains 1,754 files and 146 folders. Your file size, number of files, and folders may differ.

4. Close the GP-Education Properties window.
5. To see the size of the My Companies folder, follow these steps.
 - a. Double-click on the Student Data folder.
 - b. Right-click My Companies; left-click Properties. The My Companies Properties window appears.



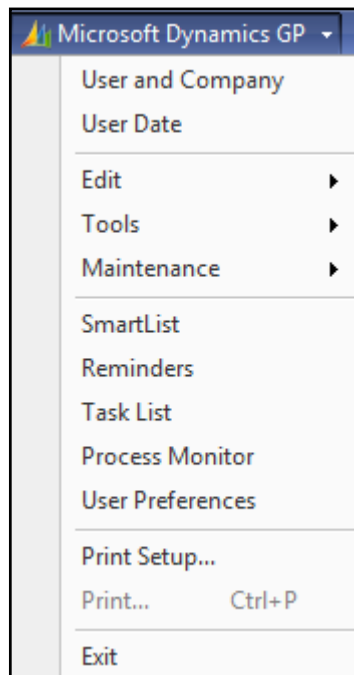
- c. Close the My Companies Properties window.
6. Close the Explore window.

MENU BAR

DGP's menu bar has 5 selections: Microsoft Dynamics GP, Transactions, Inquiry, Reports, and Cards. Click on the menu to change its color.

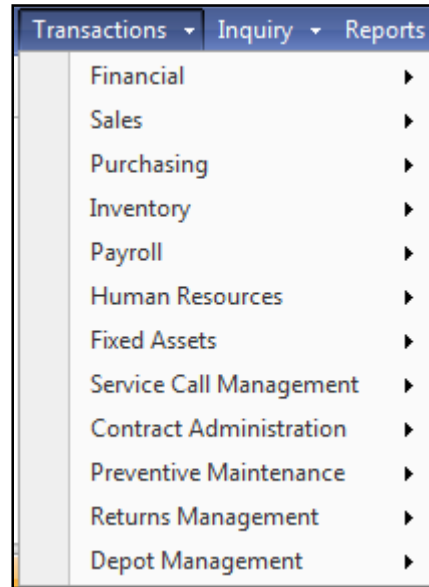


1. From the menu bar, click on the down arrow (▼) next to Microsoft Dynamics GP to see its menu. The choices include User and Company, User Date, Edit, Tools, Maintenance, SmartList, Reminders, Task List, Process Monitor, User Preferences, Print Setup, Print, Exit.

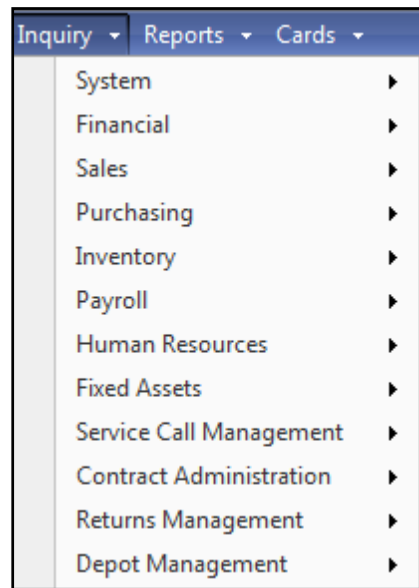


Menu choices followed by an *ellipsis* are associated with **dialog boxes** or windows that supply information about the open window. An arrow (▶) next to a menu item (for example, Edit) indicates a submenu with additional selections. Also, observe that you can press <Ctrl>+<P> to print.

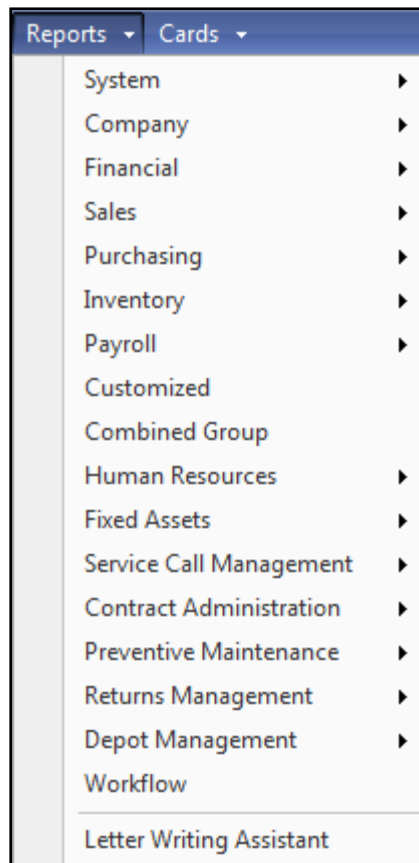
2. From the menu bar, click on the down arrow (▼) next to Transactions to see its menu. The transactions menu allows you to view Financial, Sales, Purchases, Inventory, Payroll, Human Resources, Fixed Assets, Service Call Management, Contract Administration, Preventive Maintenance, Returns Management, and Depot Management features. Observe that when an arrow (▶) is next to an item more choices are available.



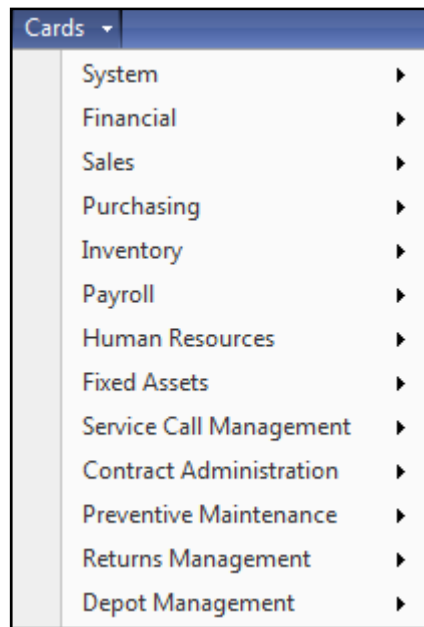
3. From the menu bar, click Inquiry. Inquiries allow users to view information for open and historical years. The System, Financial, Sales, Purchasing, Inventory, Payroll, Human Resources, Fixed Assets, Service Call Management, Contract Administration, Returns Management, and Depot Management inquiry features are available.





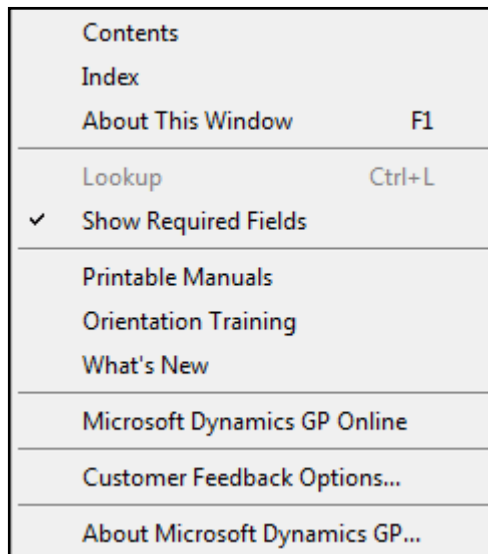
4. From the menu bar, select Reports. Reports provide access to windows where you can create System, Company, Financial, Sales, Purchasing, Inventory, Payroll, Customized, Combined Group, Human Resources and Fixed Assets, Service Call Management, Contract Administration, Preventive Maintenance, Returns Management, Depot Management and Workflow modules. You can also access the Letter Writing assistant. The Reports menu is shown below.



5. From the menu bar, select Cards. This selection provides access to cards used to enter master records for System, Financial, Sales, Purchasing, Inventory, Payroll, Human Resources, and Fixed Assets, etc. The Cards menu is shown on the next page.



Above the menu bar is a selection for Help. A question mark identifies the Help icon (). Click  to see its menu. The Help menu includes Contents, Index, About this Window, Lookup, Show Required Fields is checked; Printable Manuals, Orientation Training, What's New, Microsoft Dynamics GP Online; Customer Feedback Options; About Microsoft Dynamics GP (refer to pages 14-15).

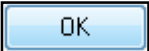


ADDING INFORMATION TO THE COMPANY NAME

Let's add your name to Fabrikam, Inc. Then, unload (save) and load (open) data to review the newly added information. Follow these steps to do that.

1. From the Microsoft Dynamics GP menu, select Tools; Setup, Company, Company. The Company Setup window appears.
2. Add your name to Fabrikam, Inc. in the Name field. The Company Setup window below shows Fabrikam, Inc.-Student Name in the Name field. Your instructor may prefer that you change other fields; for example, change the Contact field to your name; change the company's address, city and state to yours.

Company Name	Fabrikam, Inc.	Company ID	TWO
Address ID	Primary	User Defined 1	
Name	Fabrikam, Inc.-Student Name	User Defined 2	
Contact	Taylor Stewart-Cray	Tax Exempt 1	
Address	4277 West Oak Parkway	Tax Exempt 2	
		Tax Registration	
City	Chicago	Sales Tax Schedule	COMPANYSALES
State	IL	Purchases Tax Schedule	COMPANYPUR
ZIP Code	60601-4277		
Country		<input checked="" type="checkbox"/> Security	
Country Code		<input type="checkbox"/> Account Security	
Country	United States		
Phone 1	(312) 436-2671 Ext. 0000		
Phone 2	(000) 000-0000 Ext. 0000		
Phone 3	(000) 000-0000 Ext. 0000		
Fax	(312) 436-2896 Ext. 0000		

3. Click  to return to the menu bar. Now that you have added some data, continue with the next section to learn about saving or unloading data.

UNLOADING DATA

Comment: Should I unload data?

The two sections—Unloading Data and Loading Data—should be used if you are transporting data from school to home and vice versa. If you are using your own personal computer to complete work, and are *not* transporting data from school to home, you do not need to unload data each time you exit DGP. If you do *not* unload data, DGP starts at the same place when you login the next time. You should check with your instructor about his or her preference for unloading data.







When using your own computer, the authors suggest that you *periodically unload and copy files* to a USB drive. Read the information below to learn about unloading and loading data.

Each time you add data to a company, the DYNAMICS.mdf file is updated. If you are working in both the computer lab and off-site with a standalone computer,⁴ copy the files in the My Companies folder to USB media or a hard-drive location. The instructions that follow assume you are using a USB thumb or flash drive to copy files. A 2GB (or higher) USB drive is recommended. When you want to return to the computer lab, reverse the process.

Four files are associated with Fabrikam, Inc:

1. DYNAMICS.mdf
2. DYNAMICSLog.ldf
3. TWO.mdf
4. TWOLog.ldf

To see these files, go to the installation location at C:\Program Files\Microsoft Dynamics\GP-Education\Student Data\My Companies. (Your date modified column may differ. This is okay.)

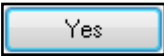
 DYNAMICS.mdf	5/28/2008 7:17 PM	SQL Server Database Primary Data File	73,728 KB
 DYNAMICSLog.ldf	5/28/2008 7:17 PM	SQL Server Database Transaction Log File	62,592 KB
 MS.mdf	5/28/2008 6:42 PM	SQL Server Database Primary Data File	220,416 KB
 MSLog.ldf	5/28/2008 6:42 PM	SQL Server Database Transaction Log File	20,480 KB
 TWO.mdf	5/28/2008 6:41 PM	SQL Server Database Primary Data File	317,440 KB
 TWOLog.ldf	5/28/2008 6:41 PM	SQL Server Database Transaction Log File	122,368 KB

MDF is an abbreviation for master data file. LDF is an abbreviation for log data file. The DYNAMICS.mdf and DYNAMICSLog.ldf files are updated







⁴A standalone computer refers to your own personal computer; for example, a laptop.

each time you unload (save) data. On the previous page, the illustration shows the type of files associated with .mdf and .ldf extensions--SQL Server Database Primary Data File and SQL Server Transaction Log Data File.

If you are using a computer at school and one off-site, to **unload data** follow steps 1-3 shown below.


1. Insert the USB drive. Create a Chapter 1 folder on the USB drive. (A 2GB or higher USB drive is recommended.)
2. Exit DGP. When the window prompts do you want to unload data, select .
3. Copy the files in the My Companies folder to the USB drive's Chapter 1 folder. (*Hint:* These files are in the My Companies folder at C:\Program Files\Microsoft Dynamics\GP-Education\Student Data.)

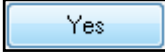


When you exit DGP, the .mdf and .ldf files on your USB drive show the time and date when data was unloaded. To see the illustration below, use Windows Explorer (or My Computer) to go to the USB drive. The author's date/time is shown below. Your Date modified column will differ. (*Hint:* If you are unloading from the installation folder, the time/date appears at that location.)

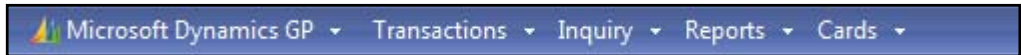
 DYNAMICS.mdf	5/28/2008 7:46 PM	SQL Server Database Primary Data File	73,728 KB
 DYNAMICSLog.ldf	5/28/2008 7:46 PM	SQL Server Database Transaction Log File	62,592 KB
 MS.mdf	5/28/2008 7:46 PM	SQL Server Database Primary Data File	220,416 KB
 MSLog.ldf	5/28/2008 7:46 PM	SQL Server Database Transaction Log File	20,480 KB
 TWO.mdf	5/28/2008 7:46 PM	SQL Server Database Primary Data File	317,440 KB
 TWOLog.ldf	5/28/2008 7:46 PM	SQL Server Database Transaction Log File	122,368 KB

LOADING DATA

If you selected Yes to unload data when exiting DGP, you need to **load data** to continue. These steps assume you unloaded data to a folder on your USB drive. To restart DGP, follow these steps.


1. If necessary, insert USB media. Double-click on the desktop shortcut, GP-Education. (Or click Start; All Programs, Microsoft Dynamics, GP-Education 10.0, GP-Education.) Type your password. Click .

2. The Microsoft Dynamics GP window appears. Click  to load your data.
3. Go to your USB drive's Chapter 1 folder. Open the DYNAMICS.mdf file. After a few minutes, the Company Login window appears. If necessary, select Fabrikam, Inc. Click . When the window appears saying you have chosen to use the sample company, click . When the menu bar appears, Fabrikam, Inc. is started.




4. Check to see if you saved your changes.
 - a. From the Microsoft Dynamics GP menu, select Tools, Setup, Company, Company. Your Name should be at the end of the Name field. Close the Company Setup window.
 - b. From the Transactions menu, select Purchasing; Transaction Entry. The required fields should be shown in red.

Because a USB drive does not require permissions, it is a good device to use for unloading (saving) and loading (opening) data. Because Windows Vista requires administrative rights, you need permission to open files from DGP's installation path at C:\Program Files\MS Dynamics\GP-Education\Student Data. For more information about Permissions, refer to the Troubleshooting appendix, pages 652-655.



Read me: VISTA users
 If you are using Vista and a window prompts that You don't have permission to open this file, click OK. Right-click on the GP-Education shortcut and select (left-click) Run as administrator. Dynamics GP restarts.

Select your system data file (DYNAMICS.mdf).




DYNAMICS.mdf
 You don't have permission to open this file.

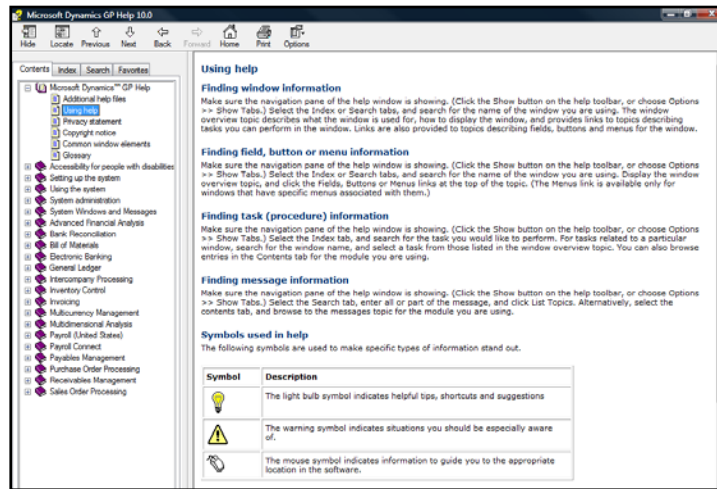
Contact the file owner or an administrator to obtain permission.

Remember you probably need to unload and load data from a USB drive if working in two locations; for instance, the computer lab and at home.


DYNAMICS GP HELP

Dynamics GP includes a couple levels of Help. In the instructions that follow, you look at DGP's Using Help file, and pressing <F1> for context-sensitive help.

1. On the right side of the Address bar, click  (Help icon). Select Contents. The Microsoft Dynamics GP Help 10.0 window appears. Click on the Contents tab.
2. Click on the plus sign next to Microsoft Dynamics GP™ Help; then select Using Help.
3. Read the information on the right side of the window.



On the left pane (under the tabs), make a few other selections to look at the Help windows. When through close the Help window.

4. Another way to use the DGP's Help is to press the function key, <F1>, or  from most windows. For example, select Transactions; Financial, General. The Transaction Entry window appears. Press the function key <F1>.

-
5. Observe that the Help window's left pane has Transaction Entry window selected. The right pane has numerous links.
 6. Select Fields. The Transaction Entry window: Fields information appears. Each field on the Transaction Entry window is explained.
 7. Link to a few other areas. Blue, underlined words identify links.
 8. When you are through navigating the Help windows, exit the Help windows.
 9. Close all windows.

INTERNAL CONTROL⁵

Internal control is an integrated system of people, processes, activities, policies, and procedures that provide reasonable assurance that the organization achieves its objectives in efficiency and effectiveness of operations, reliability of financial reporting, and compliance with applicable regulations. In DGP, internal control is an important aspect of the system. In each chapter of this textbook, you complete an Internal Control Activity to see how DGP protects company data. With the passage of the Sarbanes-Oxley Act of 2002, management and external auditors must annually assess a company's internal controls for companies traded on a stock exchange. This includes reporting to the Security and Exchange Commission (SEC) that management is responsible for the design and implementation of internal controls.

In DGP, numerous internal controls are built into the software. These controls minimize errors, reduce the time it takes to record entries, and secure data from fraud. DGP's internal controls include:

- **System controls:** Examples include User ID and password when logging into the software; passwords for restricting access to the software; and roles. Windows Vista permissions are another example of system controls.

⁵For a more detailed definition, refer to Internal Control Definition and Importance, *Accounting Information Systems: Basic Concepts & Current Issues*, R. L. Hurt, McGraw-Hill/Irwin ©2008, pages 52-54 or another AIS textbook.

- **Transaction controls:** Examples include batch controls; edit checks; limit checks; preformatted data windows with defaults for automatic field completion for dates or other transaction terms, calculations, required fields; data prompts to edit, accept or reject transactions that are not complete or accurate; approvals; and comparisons of input data with master data.

When users make changes to company records, DGP's **audit trail** provides documentation. An audit trail allows internal management or external auditors to trace a transaction from any point in the DGP system back to its point of origination.

DGP has several methods to track information. For example, users can trace transactions and balances through a combination of the general ledger, journals, reports, and financial statements to determine when a user performed an action. DGP's audit trail provides this information. The audit trail provides accountability of users, deters users from fraudulent activity or mistakes, and tracks transaction history.

As you work through the Internal Control Activities in this textbook, examples of system security and transaction security are shown. In the example that follows, Fabrikam, Inc., is used to view examples of inquiries and **audit trail codes**. Audit trail codes provide a precise record of each transaction, including how transactions are recorded and posted. Audit trail codes pinpoint the exact posting journal. Using audit trail codes, you can trace transactions to their origin quickly and accurately.

Two components comprise audit trails codes: the prefix and the journal number. The prefix indicates a particular type of posting journal; the journal number indicates which specific journal includes the recording of a transaction. The Internal Control Activity on the next page shows you how to perform an audit trail inquiry.

INTERNAL CONTROL ACTIVITY													
In this activity, use the Detail Inquiry window for tracing the audit trail codes for the financial module.													
1.	To open a transaction inquiry window, from the Financial page's Inquiry area, select Financial, Detail. The Detail Inquiry window appears.												
2.	In the Account field, select Account No. 000-1100-00, Cash – Operating Account. <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: none;"><u>Account</u></td> <td style="border: none;">◀ 000 -1100 -00</td> <td style="border: none; text-align: right;">▶ 🔍 → ↻</td> </tr> <tr> <td style="border: none;">Description</td> <td colspan="2" style="border: none;">Cash - Operating Account</td> </tr> </table> </div>	<u>Account</u>	◀ 000 -1100 -00	▶ 🔍 → ↻	Description	Cash - Operating Account							
<u>Account</u>	◀ 000 -1100 -00	▶ 🔍 → ↻											
Description	Cash - Operating Account												
3.	If necessary select the 2017 as the year. <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: none;">Year:</td> <td style="border: none;">2017 ▼</td> </tr> </table> </div>	Year:	2017 ▼										
Year:	2017 ▼												
4.	Select the first item on the list (2/1/2017; Source Document 1,201; Reference, \$3,263.24; Currency ID, \$0.00). <p style="margin-top: 10px;">To see details, choose the Show Details button (☑). The Audit Trail codes for the line items are shown.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th style="text-align: left;">Audit Trail Code</th> <th style="text-align: left;">Source Document</th> <th style="text-align: left;">Reference</th> <th style="text-align: left;">Currency ID</th> </tr> </thead> <tbody> <tr> <td>2/1/2017</td> <td>1,201</td> <td>\$3,263.24</td> <td>\$0.00</td> </tr> <tr> <td>GLTRX00000386</td> <td>CRJ</td> <td>Receivables Cash Receipts</td> <td>Z-US\$</td> </tr> </tbody> </table> <p>Observe that the audit trail code is GLTRX00000386, the prefix and journal number. The journal is identified as the CRJ for Cash Receipts Journal.</p>	Audit Trail Code	Source Document	Reference	Currency ID	2/1/2017	1,201	\$3,263.24	\$0.00	GLTRX00000386	CRJ	Receivables Cash Receipts	Z-US\$
Audit Trail Code	Source Document	Reference	Currency ID										
2/1/2017	1,201	\$3,263.24	\$0.00										
GLTRX00000386	CRJ	Receivables Cash Receipts	Z-US\$										
5.	When you are finished reviewing the information for the journal entry, choose C l ear. The Detail Inquiry window is cleared. Close the Detail Inquiry window.												

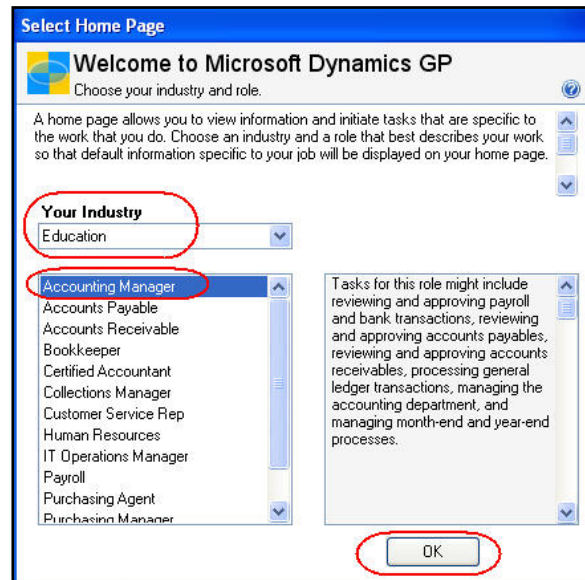
Security Roles

Security roles which contain the protective tasks that a user needs to do their job are another example of DGP's internal controls. System security controls access to system-wide setup information such as setting up new user records, assigning user security, or printing reports. Some default security roles are created within the software. For example, the ACCOUNTING MANAGER* role contains security tasks that allow a user who is assigned to this role to view general ledger account information, enter journal entries, enter bank transactions, and perform other tasks assigned to an accounting manager.

In DGP, individual security is role-based. Microsoft research has identified each user's typical, daily tasks. The system administrator assigns each user a security role before the user can access any forms, reports, or other data. To assign user security, a system administrator identifies the daily tasks that a user completes. Then the administrator assigns the user's role from either the default security roles or creates a new role.

For example, user ABC is an accounting manager for Fabrikam, Inc., and needs access to set up general ledger, taxes, bank accounts, and credit cards as well as perform many other accounting tasks. Review the default security roles in Microsoft Dynamics GP to find one that grants access to the appropriate accounting functionality for user ABC. For our example, the ACCOUNTING MANAGER* security role is appropriate for user ABC. Use the User Security Setup Window to assign the ACCOUNTING MANAGER* security role to user ABC in the Fabrikam, Inc. company.

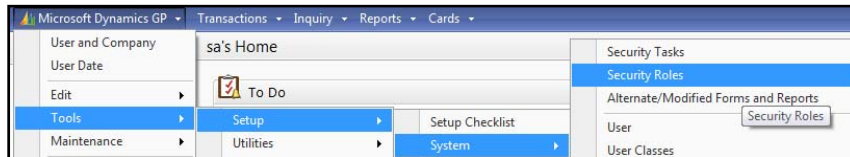
When Fabrikam, Inc. was started for the first time you were given the opportunity to choose an industry and role (pages 8-10). You were instructed to accept the defaults for Education as the Industry and Accounting Manager as the role. The Select Home Page window includes industry and role selections.



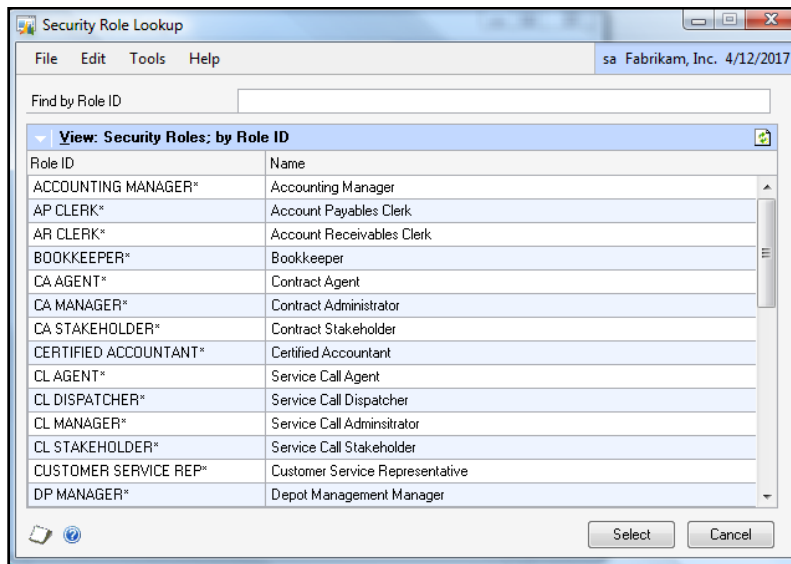
The Accounting Manager role includes the following tasks: reviewing and approving payroll and bank transactions, reviewing and approving accounts payables, reviewing and approving accounts receivables, processing general ledger transactions, managing the accounting department, and managing month-end and year-end processes. DGP allows you to choose an industry and a role that best describes your work so that default information specific to your job is displayed on your home page.

From within the DGP, you can also review roles. Follow these steps to see the User Security Setup Window.



1. From the menu bar, click on the down arrow next to Microsoft Dynamics GP. Select Tools; Setup, System, Security Roles.



2. The Security Role Setup window appears. In the Role ID field, select the magnifying glass for the list of security roles. To see more roles, scroll down the list.



The first time you started Fabrikam, Inc., a window appeared asking you to assign a role. On pages 8-9, you accepted the default role for accounting manager.

3. Click  to return to the Security Role Setup window. Click  to close the window

Each time you start DGP, the User ID field shows **sa** (an acronym for system administrator). The User ID, sa, establishes you as the owner/administrator. This means you can create and delete company databases as well as perform maintenance. Along with using sa as the User ID, you also set up a password. (Refer to step 10, pages vii-viii.) The User ID and password set up during installation are part of DGP's internal control and security features.

Sarbanes-Oxley Compliance (SOX)

SOX Box

In response to a number of corporate and accounting scandals, the Sarbanes-Oxley Act of 2002 was enacted. This act is also called the Public Company Accounting Reform and Investor Protection Act of 2002. Two common ways of identifying this legislation are the abbreviations SOX or Sarbox. This law has had an effect on the way accounting data is collected and reported. The Sarbanes-Oxley Act of 2002 introduced major changes to the regulation of financial practice and corporate governance. For example, the law requires management and external auditors to assess risk and evaluate internal controls.

One of the most important features of DGP is the internal controls built into every module. DGP's modules are identified by the selections on the navigation pane: Home, Financial, Sales, Purchasing, Administration, Inventory, HR & Payroll, Manufacturing, Project, and Field Service.

Segregation of duties may be one of the most important internal controls. The DGP modules assist in assigning responsibility to specific tasks by applying a role. For example, on pages 8-10, a role was selected. Roles identify what data a user can process.

These roles are just one of many internal control features built into the software. Selecting a role assigns each employee responsibilities for specific tasks. In other words, not every employee, or everyone using DGP, has access to all parts of the system. This helps secure data from possible fraudulent use.

SMARTLIST

The SmartList feature contains options for changing the information that is shown in the window. The options available in the menu vary among different windows or in some cases, the field that the user has selected.

You can use SmartList to create customized inquiries to provide easier, faster access to information stored in the Microsoft Dynamics GP system, including information about accounts, customers, employees, vendors, transactions, and items. You can print or export the search results, or display them on the screen.

SmartList uses sets of predefined search criteria, called favorites. The favorites are listed on the left side of the SmartList window. Some of the criteria within each SmartList favorite create a default search, or view, for each favorite. You can modify the view to create a variety of customized views. You can access a list of SmartList Favorites that you can view, print, or modify when you select SmartList Favorites in the navigation pane.


In addition to the favorites that are included with DGP, a number of products integrate with SmartList. For example, SmartList results can be sent to Excel or Word. For example, you can search for information about your customers, export the results to Excel, and then use Excel and Word to create promotions targeted to specific groups of customers based on the volume of business transacted within your company, or how conscientious they are about paying their bills on time. By combining the capabilities of SmartList and Excel to organize and sort data with Word's mail merge capabilities, you can create mass mailings that tailor your message to individual customers.

Follow these steps to use the SmartList.


1. From the Microsoft Dynamics GP menu, select SmartList. The SmartList window appears. Click on the plus sign next to Financial. Double-click Accounts. The Accounts list appears. A partial SmartList window is shown on the next page. The account list is also called the **chart of accounts**. In accounting you learn that the chart of accounts is a list of all the accounts in the general ledger.

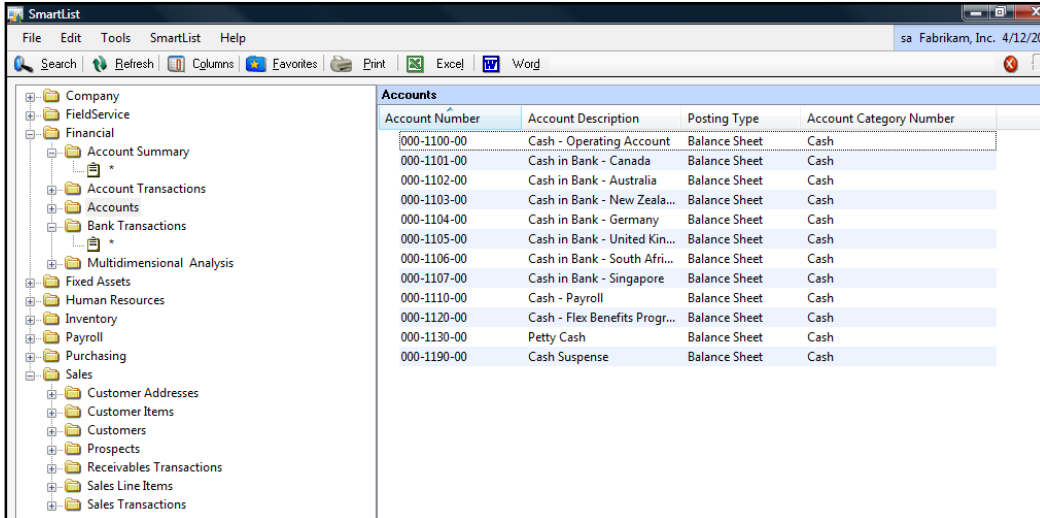
Account Number	Account Description	Posting Type	Account Category Number
000-1100-00	Cash - Operating Account	Balance Sheet	Cash
000-1101-00	Cash in Bank - Canada	Balance Sheet	Cash
000-1102-00	Cash in Bank - Australia	Balance Sheet	Cash
000-1103-00	Cash in Bank - New Zeala...	Balance Sheet	Cash
000-1104-00	Cash in Bank - Germany...	Balance Sheet	Cash
000-1105-00	Cash in Bank - United Kin...	Balance Sheet	Cash
000-1106-00	Cash in Bank - South Afri...	Balance Sheet	Cash
000-1107-00	Cash in Bank - Singapore	Balance Sheet	Cash
000-1110-00	Cash - Payroll	Balance Sheet	Cash
000-1120-00	Cash - Flex Benefits Progr...	Balance Sheet	Cash
000-1130-00	Petty Cash	Balance Sheet	Cash
000-1140-00	Savings	Balance Sheet	Short-Term Investments
000-1190-00	Cash Suspense	Balance Sheet	Cash
000-1200-00	Accounts Receivable	Balance Sheet	Accounts Receivable
000-1205-00	Sales Discounts Available	Balance Sheet	Accounts Receivable
000-1210-00	Allowance for Doubtful A...	Balance Sheet	Accounts Receivable

Observe selections for Excel and Word. This means you can convert this list from DGP to Excel or Word formats.

- Click . From the Search Accounts window, you can select Column Name, Filters, and Values. Complete the following search:

Column Name: Select Account Category Number
 Filter: begins with
 Value: Type Cash

3. Select . The SmartList window appears with the Cash accounts listed.



The screenshot shows the SmartList window for Fabrikam, Inc. on 4/12/2011. The window displays a tree view on the left and a table of accounts on the right. The table is titled 'Accounts' and has the following columns: Account Number, Account Description, Posting Type, and Account Category Number. The table lists 13 cash-related accounts.

Account Number	Account Description	Posting Type	Account Category Number
000-1100-00	Cash - Operating Account	Balance Sheet	Cash
000-1101-00	Cash in Bank - Canada	Balance Sheet	Cash
000-1102-00	Cash in Bank - Australia	Balance Sheet	Cash
000-1103-00	Cash in Bank - New Zeala...	Balance Sheet	Cash
000-1104-00	Cash in Bank - Germany	Balance Sheet	Cash
000-1105-00	Cash in Bank - United Kin...	Balance Sheet	Cash
000-1106-00	Cash in Bank - South Afri...	Balance Sheet	Cash
000-1107-00	Cash in Bank - Singapore	Balance Sheet	Cash
000-1110-00	Cash - Payroll	Balance Sheet	Cash
000-1120-00	Cash - Flex Benefits Progr...	Balance Sheet	Cash
000-1130-00	Petty Cash	Balance Sheet	Cash
000-1190-00	Cash Suspense	Balance Sheet	Cash

4. Close the SmartList below.

EXITING DYNAMICS GP

When exiting DGP, the authors suggest you do *not* unload data. If you are working at school and on your own laptop or PC, refer to page 26, steps 1-3, for unloading data.

SUMMARY AND REVIEW

OBJECTIVES: In Chapter 1, you completed the following activities.

1. Start Dynamics GP 10.0 (DGP).
2. Open the sample company, Fabrikam, Inc.
3. Select an industry and user role.
4. Set user preferences.
5. Operate DGP's drop-down lists, lookup fields, toolbar, navigation pane, and menus.
6. Identify DGP's installation folder, Student Data folder, and My Companies folder.
7. Complete an internal control activity.
8. Complete an audit trail inquiry.
9. Identify security roles.

10. Complete a search using SmartList.
11. Review Sarbanes-Oxley compliance.
12. Navigate the Help system.
13. Unload or save data.
14. Exit Dynamics GP.

GOING TO THE NET

Comment

The textbook web site at www.mhhe.com/dynamicsgp10 has a link to Textbook Updates. Check this link for updated Going to the Net exercises.

Access the Microsoft Dynamics GP website at http://www.microsoft.com/dynamics/gp/product/integrated_innovation.msp. Read the ERP software: Microsoft Dynamics GP business benefits article. (ERP is an abbreviation for Enterprise Resource Planning.)

1. How does Dynamics GP help you make informed business decisions?
2. List four characteristics of DGP that helps you derive the best possible results. Briefly explain each characteristic.

FLASHCARD REVIEW

To review how to use Dynamics GP, create flashcards. For example, for installing DGP, write Installation on one side of the card; on the other side, write the steps for software installation. Create flashcards for the following.

1. Software installation.
2. Copying the My Companies folder.
3. Starting Dynamics GP and opening Fabrikam, Inc. for the first time.
4. Setting user preferences for showing required fields.
5. Exiting DGP and unloading data.
6. Unloading (or saving) data.
7. Complete an audit trail inquiry.
8. SmartList search.
9. Using Windows Explorer to determine file size.

True/Make True: Write the word True in the space provided if the statement is true. If the statement is not true, write the correct answer.

1. If there is an underlined letter in the menu or option you want to select, hold down the **<Alt>** key and the underlined letter to make the selection.

2. The menu items that have an arrow next to them indicate that there is another submenu with additional selections.

3. Shortcut keys enable you to use DGP's mouse.

4. The default location for copying the My Companies is at C:\Program Files\GP-Education\Students.

5. An integrated system of people, processes, and procedures that minimize or eliminate business risks are called internal controls.

6. DGP's internal controls include system access restrictions and transaction processing security.

7. Security roles include protective tasks that a user needs to do their job.

8. In DGP, individual security is based on the operating system being used.

9. The default user role is DP Manager.

10. DGP allows you to select industry and role preferences.

Exercise 1-1: Follow the instructions below to complete Exercise 1-1:

1. Start Windows, then DGP. Open Fabrikam, Inc. If data needs to be loaded go to step 2.
2. If necessary load data. (*Hint:* If necessary, browse to the Student Data\My Companies folder. Open the DYNAMICS.mdf file.)
3. Check the following information:
 - a. User Preferences: Horizontal Scroll Arrows; Screen; Tab, and Local should be selected.
 - b. Click Display: Required Fields shows the Font Color is red. Close windows.
 - c. Microsoft Dynamics GP menu: Tools; Setup, Company, Company. In the name field, your name should appear after Fabrikam, Inc.
4. Continue with Exercise 1-2.

Exercise 1-2

1. Exit Dynamics GP.
2. If you are working in the computer lab, unload data. Refer to unload data, steps 1-3, page 26. *Remember, files unload to the same location where you loaded files from during login.* (*Hint:* If working on your own computer, select when Dynamics GP asks if you want to unload data.)

Exercise 1-3: Internal Control

Follow these steps to print the audit trail codes.

1. Start DGP. Open Fabrikam, Inc.
2. Open the Audit Trail Codes Setup window. From the Microsoft Dynamics GP menu, select Tools; Setup, Posting, Audit Trail Codes. Posting setup is one of DGP's internal controls.

3. If necessary, in the Series list select Financial. Choose File; Print.
4. Answer the following questions.
 - a. What is the Prefix, Next Sequence Number, and Source Document identification for Bank Deposit Entry?
 - b. What are the audit trail codes for General Entry? Include the Prefix, Next Sequence Number, and Source Document identification.

Exercise 1-4: SmartList

1. Use SmartList to export the Accounts list to Excel.
2. The suggested file name is **Exercise 1-4_Account List.xlsx**.
3. Using the following account numbers, identify the Account Description, Posting Type, and Account Categories.

Account Number	Account Description	Posting Type	Account Categories
000-1100-00			
000-1200-00			
000-2400-00			
000-3010-00			
000-4110-00			
000-5100-00			
000-6170-04			

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